

[12 December, 2006]

RAJYA SABHA

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) According to the latest available information, India's total external debt amounted to US\$ 132.13 billion as at end of June 2006.

(b) The external debt increased by US\$ 6.95 billion during the quarter ending June 2006.

(c) The redemption payments of India Millennium Deposits led to a reduction in the level of total external debt from US \$124.15 billion at end-September 2005 to US\$ 119.19 billion at end December 2005.

(d) Total external debt as a percentage of GDP was 15.8 in 2005-06. Prudent external debt management policies are pursued by the Government to maintain external debt within manageable limits. These include emphasis on raising funds on concessional terms and from less expensive sources with longer maturities, monitoring of short-term debt, prepaying high cost loans, rationalizing interest rates on NRI deposits, restricting end-use of external commercial borrowings, limiting trade credits and encouraging non-debt creating capital flows.

Loans given to priority sector

†2150. SHRI RAVI SHANKAR PRASAD:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the loans given by Government and non-Government Banks to the priority sector in the year 2005-06 is 40.3 per cent and 42.8 per cent respectively of the total given loan;

(b) if so, the details thereof;

(c) whether it is a fact that less loan has been given to agriculture and small scale industry sector as per the directions of the Reserve Bank of India;

(d) if so, what is the respective percentage of this loan; and

(e) the details of the sectors to whom the balance loan has been

†Original notice of the question was received in Hindi.

given in priority sector and amount thereof respectively and thus the manner in which the target of priority sector has been achieved as per the directions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. The details of outstanding priority sector advances of Public Sector Banks and Private Sector Banks, as on March 2006 are as under:

(Amount in Rs. crores)

As on the last reporting Friday of March 2006 (data provisional)			
Banks	Net Bank Credit (NBC)	Total Priority Sector Advances	%age of Priority Sector Advances to NBC
Public Sector Banks	1017614	410379	40.3
Private Sector Banks	249088	106566	42.8

(c) to (e) The details of outstanding priority sector advances to agriculture, SSI and other priority sector by Public Sector Banks (PSBs) and Private Sector Banks as on March 2006 are as under:

(Amount Rs. in crores)

As on the last reporting Friday of March, 2006 (data provisional)		
Sector	Public Sector Banks	Private Sector Banks
Total Priority Sector Advances	410379 (40.30%)	106566 (42.8%)
Total Advances to Agriculture	154900 (15.2%)	361859 (13.5%)
SSI Advances	82492 (8.1%)	10447 (4.2%)
Other Priority Sector Advances	164473 (16.2%)	58243 (23.4%)

The figures in parenthesis show percentage of advances to NBC.

Though, the target of 18% of NBC to Agriculture has not been achieved by some Public and Private Sector Banks, the credit to agriculture sector by domestic scheduled commercial Banks, both in the public and private sectors, has increased in absolute terms from Rs. 64,724 crore as on the last reporting Friday of March, 2002 to Rs. 1,91,085 crore as on the last reporting Friday of March, 2006. However, the target of 40% of NBC to the priority sector has been achieved.